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ABSTRACT

This document reports on and recommends for passage the School-to-Work Opportunities Act of 1993 (S. 1361), legislation proposed to establish a national framework within which states can create statewide School-to-Work Opportunities systems enabling youth to identify and navigate paths to productive and progressively more rewarding roles in the workplace. These systems are intended to provide students with performance-based education and training programs that will enable them to earn portable credentials, prepare them for first jobs in high-skill, high-wage careers, and increase opportunities for further education or training. This report provides a summary and history of the proposed legislation, a rationale for it, a summary of the committee views on the bill, a cost estimate for its implementation, a regulatory impact statement, a section-by-section analysis, and minority views concerning the bill. (KC)

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SCHOOL-TO-WORK OPPORTUNITIES ACT OF 1993

NOVEMBER 10 (legislative day, NOVEMBER 2), 1993.—Ordered to be printed

Mr. KENNEDY, from the Committee on Labor and Human Resources, submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany S. 1361]

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The Committee on Labor and Human Resources, to which was referred the bill (S. 1361) to establish a national framework for the development of School-to-Work Opportunities systems in all States, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill, as amended, do pass.

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I. SUMMARY OF THE BILL

The School-to-Work Opportunities Act of 1993 (S. 1361) is designed to establish a national framework within which States can create statewide School-to-Work Opportunities systems enabling young Americans to identify and navigate paths to productive and progressively more rewarding roles in the workplace. These sys-

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tems are intended to provide students with performance-based education and training programs that will enable them to earn portable credentials, prepare them for first jobs in high-skill, high-wage careers and increase opportunities for further education or training.

S. 1361 is closely linked to the "Goals 2000: Educate America Act" which promotes the development and encourages the voluntary adoption of national academic and skill standards. These standards will provide the broad outlines within which School-to-Work Opportunities programs will be developed and administered.

Federal funds provided under this Act are intended to be used as "venture capital" to stimulate State and local creativity in establishing statewide School-to-Work Opportunities systems which link the worlds of school and work. A key purpose of this legislation is to leverage resources and facilitate the coordination of existing programs. The goal is to use limited federal funding as seed money to encourage States and communities to build a School-to-Work Opportunities systems.

To achieve the systemic reform envisioned by this legislation, States and communities are encouraged to enrich and expand upon existing programs—such as tech-prep education, cooperative education, youth apprenticeship, career academies, school-to-apprenticeship programs, school-sponsored enterprises and business-education compacts. Instead of starting from scratch, the legislation realistically builds on these efforts rather than imposing a new, top-down structure. Through the formation of partnerships among secondary and postsecondary educational institutions, private and public employers, labor organizations, government, community groups, parents and other key groups, communities are encouraged to take ownership and responsibility for giving American youth access to skills and employment opportunities that will launch them on paths leading to high-skill, high-wage careers. Together, States and localities will take the lead in determining goals and priorities, developing new strategies and measuring progress.

The Departments of Education and Labor will administer this program jointly in consultation with the Secretary of Commerce. This Federal role is important, but limited to the establishment of broad national criteria for States to follow in creating School-to-Work Opportunities systems. The Departments of Education and Labor will (1) invest in State and local initiatives by providing seed capital; (2) help States and localities learn from each other and from the experience of our international competitors; and (3) build a knowledge base of effective school-to-work models.

Title I of this Act requires all School-to-Work Opportunities systems to have certain core elements—to integrate school-based and work-based learning, to integrate academic and occupational learning, and to establish linkages between secondary and postsecondary education. These systems must also provide participants with the opportunity to complete career majors which, to the extent practicable, provide students with strong experience and understanding of all aspects of the industry the students are preparing to enter. The program must incorporate the three basic program components of work-based learning, school-based learning and con-

necting activities. Finally, it must provide all students with equal access to the full range of these program components.

Work-based learning must include paid work experience, a planned program of job training and work experience, workplace mentoring, and instruction in general workplace competencies. It may also include job shadowing, work-experience in school-sponsored enterprises, and on-the-job training for academic credit.

School-based learning must include career exploration and counseling beginning prior to the 11th grade and initial selection of career majors not later than the beginning of the 11th grade. Instruction would be tied to high academic standards under a State's plan, if any, pursuant to the "Goals 2000: Educate America Act."

School-based learning must also include regularly scheduled evaluations to identify academic strengths and weaknesses and the need for additional learning opportunities to master core academic and vocational skills.

Connecting activities are intended to ensure coordination of the work-based and school-based learning components of a School-to-Work Opportunities program and must include: matching students with employers offering work-based learning opportunities, providing technical assistance to employers, and serving as a liaison between student and employer, school, teacher, and parents.

Students completing a School-to-Work Opportunities program would earn a high school diploma or its equivalent, and a certificate from a postsecondary education institution, if appropriate. They would also get a portable industry-recognized credential certifying competency in an occupational area.

The legislation provides for three interwined mechanisms to stimulate State and local action: development grants to assist States in the planning and developing and comprehensive, statewide School-to-Work Opportunities systems and in the preparation of a plan; implementation grants to assist States in the implementation of comprehensive, statewide systems; and direct grants to localities.

In order to receive an implementation grant, a State's plan must be approved by the Secretaries of Education and Labor. To make sure that other program funds are used to maximum extent possible, States may also apply for waivers of certain statutory and regulatory provisions from selected Federal job training and education programs that may impede a State's or community's ability to implement its School-to-Work Opportunity system.

Applications for development and implementation grants are submitted to the Departments of Education and Labor by the Governor on behalf of the State and must show the manner in which the Governor, and the State agency officials responsible for education, job training, employment, economic development, postseconary education and other appropriate officials have collaborated and will collaborate in this effort. Grant applications must also show how employers and a wide range of other parties will be involved in the design and implementation of the School-to-Work Opportunities system, in addition to other relevant information.

The five-year implementation grants will be awarded on a competitive basis so that lessons from the leading-edge States will in-

form the efforts of others. All States are expected to receive an implementation grant over a period of four years.

Funds authorized under this Act can be used for a wide range of activities at the State and local level that further the purposes of the Act. There is a 15 percent cap on administrative costs for the implementation grant.

States are directed to allocate a substantial portion of these implementation funds to local partnerships. By the third year of an implementation grant, 85 percent of the funds provided under the implementation grant must be awarded by the State to local partnerships.

In addition to awarding grants to the States, the Departments are authorized to fund grants to localities that are in States which have not yet received an implementation grant or are in the first year of such a grant. This allows communities that are ready to start school-to-work systems to move ahead in advance of the availability of funds through their State's School-to-Work Opportunities system.

The Departments are also authorized to award grants to States and localities in high poverty areas to give special support to help overcome the substantial challenges these areas may face in building effective School-to-Work Opportunities systems.

S. 1361 also allows the Departments to conduct research and evaluation, establish a Clearinghouse and, in collaboration with the States, to develop performance standards.

Finally, S. 1361 provides for safeguards to protect students and existing workers, sanctions if a recipient has failed to meet the requirements of the Act, and a sunset provision terminating the Act nine years following the enactment of the legislation.

II. History of the Legislation

On December 17, 1992, the Subcommittee on Employment and Productivity held a hearing in Chicago on the subject of "What works in youth job training and the school-to-work transition." The subcommittee heard from business people, teachers, and administrators about promising programs for linking schools and workplaces in strong partnerships to assist students in meeting challenging academic and career goals. For example, witnesses described an effort by Sears, Roebuck and Company and the Davea Career Center in which students work one-on-one with mentors in a way that integrates what's happening in the classroom—including physics, chemistry, math and electronics—with the work site.

On January 7, 1993, at his confirmation hearing before the full Committee, Secretary Reich identified as the first goal for the Department of Labor to "provide a path to good jobs for the 75 percent of our young people who do not complete 4 years of college and whose real wages have been declining." Those comments were echoed by Secretary Riley at his confirmation hearing on January 12: "We must develop new approaches for preparing our youth for productive employment in high-skill, high-wage jobs."

On February 25, 1993, Senators Simon and Wofford introduced S. 456, the Career Pathways Act of 1993. This legislation proposed to amend the Job Training Partnership Act to authorize the Secretary of Labor, in consultation with the Secretary of Education, to

make grants to partnerships of schools, employers, and employee organizations for programs of academic instruction and work-based learning aimed at creating pathways for careers and higher education for all youth. The legislation also authorized grants to States for planning, developing and expanding school-to-work systems and programs.

On March 3, 1993, the Subcommittee on Employment and Productivity held a hearing on S. 456. Students and teachers, as well as representatives from industry, labor, and state and local governments described their own experiences with school-to-work programs, and commented on the proposed legislation. Hilary Pennington, President of Jobs for the Future—which has worked with 20 school-to-work sites around the country as well as with a consortium of 20 States building school-to-work systems—stressed that the most important element is to ensure "that there really is an employer-driven, structured work-based learning opportunity for young people."

On May 14, 1993, the full Committee heard testimony regarding the National Skills Standards portion of the Goals 2000: Educate America Act. The "skill certificates" that are envisioned as part of the School-to-Work Opportunities Act are expected to be linked to the skill standards that are developed through the National Skills Standards Board under Goals 2000.

On August 4, 1993, the Secretaries of Education and Labor transmitted to Congress the School-to-Work Opportunities Act to 1993. The transmittal letter described the legislation's primary purpose as "offer[ing] 'venture capital' to States and communities to build bridges from school to work through programs that provide students with an integrated array of learning experiences in the classroom and at the worksite." On August 5, the bill was introduced in the Senate as S. 1361, sponsored by Senators Simon, Kennedy, Durenberger, Wofford, Pell, Metzenbaum, Dodd, Hatfield, Moseley-Braun, Breaux, and Murray.

On September 28, 1993, the Subcommittee on Employment and Productivity held a hearing on S. 1361, the School-to-Work Opportunities Act of 1993. Senator Hatfield described the State of Oregon's recent experience in refocusing its school system so that there is a better connection between education and employment. Secretary Riley and Secretary Reich, in a joint prepared statement, emphasized that this new Federal initiative:

> is not about establishing a new program that will compete with existing programs for limited resources and customers; rather it is about putting in place the building blocks for a nationwide system. We expect that States and localities will be able to build such systems by enriching and expanding upon existing programs—such as youth apprenticeship, tech-prep education, cooperative education, career academies, and school-to-apprenticeship programs.

Also at the September 28 hearing, Linda Morra and other representatives of the U.S. General Accounting Office (GAO) testified that, based on a review of education research and discussions with experts:

> a comprehensive school-to-work strategy would encompass the following interrelated components: (1) processes for developing the academic and occupational competencies of all students, (2) career education and development for all students, (3) extensive links between schools and employers, and (4) meaningful workplace experiences for all students.

GAO concluded that S. 1361 addresses these key elements. Other witnesses, with experience in existing school-to-work programs, offered their perspectives on current programs and the proposed legislation.

The Subcommittee on Employment and Productivity held its final hearing prior to mark-up of the School-to-Work Opportunities Act on October 14, 1993. Mayor Bruce Todd, of Austin, Texas, testifying on behalf of the U.S. Conference of Mayors, questioned "whether our school system is doing all it can do when fully three-quarters of those who leave school and find work see no relationship between their high school educations and jobs." Rudy Oswald, Director of Economic Research at the AFL–CIO, said that based on the experience in training workers, the union particularly supports the legislation's requirement

> that the proposed training and experiences on the job must be planned so that students master progressively higher skills; that experienced workers serve as mentors for students on the job; and that the learning content is broad and transferable beyond a specific worksite or employer.

William Kolberg, President of the National Alliance of Business, testified that an effective school-to-work transition system

> Can, over time, reform secondary education, provide skills to youth that will last for a lifetime of learning in a competitive environment, and help reduce the number of school dropouts that might otherwise occur if those individuals do not see practical application of academic skills to life and work.

Other witnesses offered examples of how students with disabilities can be better included in school-to-work programs, and how areas of employment traditionally dominated by men can be opened up to women. A number of other areas of concern were pointed out, and specific suggestions were offered to improve S. 1361.

On November 3, 1993, the Committee on Labor and Human Resources met in executive session to consider S. 1361. At that time, Senator Simon offered a complete substitute for S. 1361, incorporating many of the comments and suggestions offered from interested parties. The substitute was approved by a voice vote, and S. 1361 as amended was ordered to be favorably reported by a voice vote.

III. Background and Need for the Legislation

Approximately half of America's young people do not go on to college; 75 percent do not earn a baccalaureate degree. Many of these young people do not possess the basic academic and occupational skills necessary for the changing workplace or for further education. And many cannot find stable, career-track jobs for a good

5 to 10 years after graduating from high school. Indeed, some never escape the cycle of dead-end jobs and unemployment.

The wages, benefits, and working conditions of these Americans without college degrees are eroding rapidly. In the 1980's the gap in earnings between high school and college graduates doubled; for those without high school degrees, the gap was even greater. A 1992 Congressional Research Service report shows that males with only a high school diploma and 5 years of experience or less earned $9.75 in 1973 compared with $6.90 in 1991 (nearly a 30 percent decrease). Women with only a high school education and 1 to 5 years of work experience encountered a 20 percent decrease in wages between 1973 and 1991.

Expanding global trade and investment are forcing Americans to compete with people around the world, many of whom work for less. New technologies in manufacturing and, increasingly, in services, are shrinking the demand for and undermining the earning power of unskilled labor. Neither of these forces will (or should) be kept at bay; on balance, they make the Nation richer. But as low-skilled, high-paying jobs disappear, most workers without college degrees will continue to find their wages, benefits, and living conditions declining.

The United States lacks a comprehensive, formal system to prepare youth for high-skill, high-wage jobs. So while our major national competitors are redefining and improving school-to-work transition systems, the United States has yet to develop one. In practical terms, this means that, unlike their peers in Japan or Germany, for example, young Americans entering the work force after high school make their way through school and into their first jobs with little guidance, direction or support. Instead of following structured career paths that provide a basis for rigorous, meaningful secondary and post-secondary education, students frequently wander aimlessly through an unchallenging, disjointed curriculum.

Meanwhile, businesses readily admit that they have difficulty finding workers with the kinds of skills that they need. Employers indicate that what they want in entry-level workers is mature employees with high academic and occupational skills and meaningful work experience. That isn't what they get—which is why, in this country, only one large firm in ten hires recent high school graduates.

The costs of continuing to do nothing are far too steep—not only for the young Americans facing lower-earnings and precarious employment, but also for the economy as a whole. We must build bridges from education to employment that will bring all Americans into the new global economy—equipped with the knowledge and skills necessary for productive employment and lifelong learning.

We are fortunate that a broad-based coalition exists supporting the creation of a system that prepares all young Americans for higher skill, higher wage careers. This is due in part to the following:

Numerous States and localities are rapidly developing innovative school-to-work programs which combine academic and occupational learning and include a variety of models such as youth apprentice-

ship, Tech-Prep, Career Academies, Cooperative Education and School-to-Registered Apprenticeships.

Three major Commission reports issued in the past 6 years—"Workforce 2000", "The Forgotten Half", and "America's Choice: High Skills or Low Wages"—have helped to raise public awareness of the problems faced by students not going on to college (or not completing college).

The movement to develop the adoption of voluntary academic and occupational skill standards and certifications, captured in the "Goals 2000: Educate America Act" legislation, will drive a world-class education and training system—benefiting employers, students, and entry-level workers.

Building on these efforts, the School-to-Work Opportunities Act puts in place the framework for a high-quality system in all States to serve significant numbers of young people in order to produce the skilled, prepared, and flexible workforce that our country needs.

IV. COMMITTEE VIEWS

Title I.—School-Work Opportunities Basic Program Components

BASIC PROGRAM COMPONENTS

The legislation allows for flexibility so that programs can address local needs and respond to changes in the local economy and labor market. It does not impose a wholly new, otp-down structure. Rather, States and communities are urged to assess their existing programs, including those that are funded under other Federal human resource legislation, and determine how they may be modified and linked to be the building blocks for a School-to-Work Opportunities system. A strong School-to-Work Opportunities system can be built off of such existing efforts as tech-prep education, career academies, school-to-apprenticeship programs, cooperative education, youth apprenticeship, school-sponsored enterprises and business-education compacts.

The Committee believes, however, that in order to have a comprehensive, meaningful and effective school-to-work program, certain core program elements smut be incorporated. These elements, which are established by Title I, must (1) integrate work-based and school-based learning, integrate academic and occupational leaning and establish effective linkages between secondary and postsecondary education; (2) provide a student with the opportunity to complete a career major; (3) incorporate the basic program components of work-based learning, school-based learning and connecting activities; (4) provide students, to the extent practicable, with strong experience in and understanding of all aspects of the industry the students are preparing to enter; and (5) provide all students with equal access to the program components. These core elements serve to unify and ensure the quality of School-to-Work Opportunities programs throughout the country.

The integration of work-based and school-based learning is pivotal to ensuring that the instructional program at one location reinforce the other. This integration can take place through the development of curriculum, designating work-site experiences around

school-based learning, training of school and work site personnel, and the use of a wide range of connecting activities to bring sound likages between the school and the work-site.

A School-to-Work Opportunities program provides a student with an integrated array of learning experiences in the classroom and at the worksite. In order to ensure that students receive these learning experiences, all programs would contain three core components:

Work-based learning provides students with a planned program of job training and work experiences, including pre-employment an employment skills in a broad range of tasks and occupational areas. Work-based learning consists of paid work experience, workplace mentoring and instruction in general workplace competencies, including instruction and activities designed to develop positive work attitudes, and employability and participative skills.

School-based learning that includes a coherent sequence of multi-year instruction in career majors beginning no later than the beginning of the 11th grade and typically ending after at least one year of postsecondary education. The program of study must be tied to high academic and skills standards. School-based learning must also provide career exploration and counseling, and periodic evaluations to identify students' academic strengths and weaknesses, academic progress, workplace knowledge, goals, and the need for additional learning opportunities to master core academic and vocational skills.

Connecting Activities to ensure coordination of the work-based and school-based learning components of a School-to-Work Opportunities program. Included are activities such as providing technical assistance to employers, including small an medium sized businesses, in designing work-based learning components, providing assistance to schools and employers to integrate school-based and work-based learning and integrating academic and occupational learning, matching students with employers' work-based learning opportunities, and collecting information on what happens to students after they complete the program.

All aspects of the industry

The legislation requires that students be provided, to the extent practicable, with strong experience and understanding of all aspects of the industry they are preparing to enter. The Committee recognizes that it will not always be possible to instruct students in every aspect of an industry. However, the more aspects a student is exposed to and is educated in, the broader his or her understanding of that industry will be an the better the educational experience. Broad instruction in all aspects of an industry also broadens students' career options by exposing them to issues that cut across occupations and industries.

Furthermore, the Committee recognizes that as students, as workers, and as citizens, we operate in a multi-dimensional setting. Tasks and problems are not isolated, but are related. By encompassing all aspects of an industry, programs are better preparing students for multi-dimensional lives.

Work-based learning component

The Committee believes that work-based learning is valuable because it places learning in a practical context. Research reveals that when people learn concepts and skills in the process of applying them in real situations, they are more likely to retain the knowledge for use in other applications. Work-based learning places students in actual work settings where students learn real, functional and sustainable skills. The Committee believes that employers and workers are powerful and effective teachers for young people—in addition to serving as mentors, job coaches, and role models.

The Committee believes that paid work experience is a critical element of the work-based learning component of a School-to—Work Opportunities system. Paying a student is a sign of the employer's commitment to the individual student as well as to the overall quality of the program in which the employer is participating. The work experience provision will ensure that private sector participation in the program will be significant, and that the relationship between the school and the business will be a true partnership.

PAID WORK EXPERIENCE

The Committee believes that paid work experience is a critical element of the work-based learning component of a School-to-Work Opportunities program.

A meaningful part of each student's work-based learning must be paid. Paying a student is a sign of the employer's commitment to the individual student as well as to the overall quality of the program in which the employer is participating. The Committee believes that requiring some portion of a School-to-Work Opportunities program to include paid work experience ensures that students are participating in real work experiences and that employers have made a genuine commitment to the program.

The Committee has found that business leaders support paid work experience as an essential component of work-based learning. In a letter to Members of the Committee and to Senate leadership, William H. Kolberg, president and chief executive officer of the National Alliance of Business and co-chair of the Business Coalition for Education Reform, stated,

> [W]e would urge that the paid work experience component of the legislation be retained. Employers operating successful school-to-work programs find that paying wages to apprentices is important to gain a company's genuine investment in the program. If firms pay apprentices, the employer would more likely assign effective supervisors to monitor and train them. If students receive financial compensation from employers, the would more likely take their work-based learning responsibilities seriously. In our view, it is the employer-paid work-based learning component that makes this system unique from other vocational education programs.

Further, many students need to work for income. If their work-based learning is unpaid, students would likely need to seek addi-

tional outside paid employment. This would diminish their commitment to the school-to-Work program, in which they should be focusing on and preparing for high-skill, productive careers.

The legislation does not stimulate when the work-based learning should take place or how much of the work experience must be paid. However, local partnerships should, as part of their curriculum development and program planning, identify an appropriate level of paid work-based learning during the students's participation in the program. The timing and extent of paid work experience should fit into a plan of integrated occupational and academic learning and school-based and work-based learning based on the requirements needed for a high school diploma, a skill certificate, and a certificate or diploma recognizing successfully completion of postsecondary education if appropriate.

The Committee recognizes that a major challenge will be recruiting the large numbers of employers required to provide work-based learning to the many students who could benefit. However, we believe that paid-work experience is an essential element in this experience that cannot be compromised.

Local partnerships are encouraged to try creative and aggressive strategies for developing paid work experience placement for students. The use of an intermediary organization or the formation of a business consortia to help identify and provide varied paid-work experiences may be useful in some communities. Public agencies, labor unions and community-based organizations must also be brought into this effort. The Committee also recognizes that school-sponsored work experience, including school-sponsored enterprises and community service, and other forms of unpaid work, offer valuable opportunities to learn outside the classroom. These, in combination with paid work experience, might be very valuable in creating needed opportunities to more youth.

Job Training Partnership Act funds, in some situations, may be used to help offset a portion of an employers' costs for hiring and training economically disadvantaged students. Paid work experience can include supported employment for youth with disabilities.

CAREER EXPLORATION AND CAREER COUNSELING

School-to-work programs represent a fundamentally different approach to teaching and learning that links the school and community. Such programs must, therefore, be considered an integral part of K–12 education reform. While the more formal manifestations of school-to-work programs begin in the latter years of high school, the Committee believes that less formal ways of exploring careers and learning workplace skills should begin earlier—in elementary, middle, and junior high schools.

To facilitate that goal, section 103 includes career exploration and counseling beginning prior to the 11th grade. Ideally, these programs will begin in elementary schools and be integrated into the school curriculum. Examples of such components of school-based programs include job shadowing, mentoring, internships, service learning, use of outside speakers and career forums, field trips to local employment sites, and student entrepreneurship programs such as student-run community businesses and Junior Achievement.

CAREER MAJORS

By establishing career majors, local communities develop the framework for the design of their school-to-work opportunities program *and connect their school-to-work opportunities programs to* the labor market. A career major must do the following:

Integrate occupational and academic learning, integrate work-based and school-based learning, and establish linkages between secondary and postsecondary education;

Provide students, to the extent practicable, with strong experience in and understanding of all aspects of the industry or industry sector they are preparing to enter;

Prepare students for employment in broad occupational clusters or industry sectors;

Typically include at least 2 years of secondary school and one or two years of postsecondary education;

Result in the award of a high school diploma, or its equivalent, a certificate of diploma recognizing successful completion of one or two years of postsecondary education (if appropriate), and a skill certificate; and

Prepare students for further education and training.

Although an initial selection of a career major must be made no later than the 11th grade, the Committee believes career awareness and exploration must begin much earlier in the elementary and middle school years. The selection of a career major may be made earlier than the 11th grade and School-to-Work Opportunities funds may be used to provide services to students prior to the 11th grade.

Serving all students

The Act is intended to promote the development of School-to-Work Opportunities systems that are designed for all students including those who plan to continue their education at a college or university. Further, the legislation defines "all students" as meaning students from a broad range of backgrounds and circumstances, including disadvantaged students, students with diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited English proficiency, students who have dropped out of school, and academically talented students. The Committee does not intend School-to-Work Opportunities programs to be interpreted as an entitlement. However, it is the intent of the Committee that students from the broad range of backgrounds described above have the opportunity to participate in School-to-Work programs.

The development of a School-to-Work Opportunities system holds out an exceptional opportunity for improving pedagogy throughout schools. The characteristics of experiential learning programs—hands-on learning, students' demonstration of skills through projects, mentoring and coaching relationships—are all at the heart of what we now know, from education research, is good academic instruction for all students.

CONNECTING ACTIVITIES COMPONENT

The connecting activities may be performed by one of the entities in the local partnership that is responsible for the school-to-work program or it may be performed by an "outside" or intermediary organization. An intermediary may be a valuable resource to the local parties governing the program as they strive to link the worlds of school and business with a wide range of parties including students and parents.

SCHOOL-TO-WORK OPPORTUNITIES PROGRAMS AND AT-RISK STUDENTS

The Committee wants to emphasize that there are many features in this legislation that will better prepare disadvantaged and other at-risk students (including dropouts) for higher-wage, higher-skill first jobs or for further education. They include:

Up to 10 percent of the funds are earmarked for High Poverty Areas to assist urban and rural areas characterized by high unemployment and poverty to build an effective school-to-work system. These funds may be used to serve both drop-outs and at-risk students.

The planning and development process involves community-based organizations, and other entities such as Job Training Partnership Act Private Industry Councils, concerned with the needs of at-risk youth.

States and localities must ensure that all students have equal access to these programs.

The emphasis on early career exploration and the linking of work-based and school-based learning will provide new incentives to motivate continued school attendance. Work experience is used to give practical meaning to academic concepts and to transform traditional instruction into alternative learning experiences. This is particularly valuable for students who have dropped out or who do not perform well in a traditional learning environment.

In addition, communities may choose to employ a number of specific strategies to serve at-risk students. These include:

Linking School-to-Work programs with services for economically disadvantaged students funded under JTPA. JTPA funds can be used for a wide range of activities including recruitment of dropouts, assessment and case management, supportive services and remedial education. For in-school students who are at-risk of dropping out, JTPA can fund dropout prevention activities such as counseling, tutoring and study skills training, and pre-employment and work maturity skill training.

Serving at-risk students through Career Academies. Career Academies are "schools within schools" that blend applied academies, workplace exposure, career counseling, and vocational courses. The highly structured program traditionally provides a supportive educational environment for low achieving students.

Establishing a graduation assistance program to help participants find jobs and to encourage businesses to make commitments for job placement.

The Committee encourages States and localities to use the flexibility within this Act to design creative strategies for serving at-risk students and former students as well as forging linkages with

such programs as JTPA and education-funded programs for the disadvantaged.

Title II.—School to Work System Development and Implementation Grants to States

Subtitle A.—State development grants

The purpose of the development grants is to provide funds for States to plan and begin efforts leading to comprehensive statewide school-to-work systems. The Committee does not expect that at the time States seek development grants, they will be prepared to describe in specific detail the programs they propose to implement. States applying for development grants will, however, be expected to have a clear understanding of what a School-to-Work Opportunities system generally requires in terms of design, delivery, partnerships, and institutional change, and to have thought through realistic methods for involving key stakeholders and appropriate approaches to designing School-to-Work Opportunities systems.

The application for a development grant must include key information on the status of school-to-work transition efforts in the State, including promising programs that are currently being implemented and that may be adapted. The request must also show a timetable and an estimate of the amount of funding needed to complete the planning and development necessary to implement a comprehensive, statewide School-to-Work Opportunities system.

In order to apply for and receive these grants, a number of key parties in the States—the Governor, the State agency officials responsible for education, job training, employment, economic development, and postsecondary education, as well as other appropriate officials—will need to come together to collaborate in the planning and development of the School-to-Work Opportunities system in their State. The Committee recognizes that State boards of education have been instrumental partners with business and other policymakers for the establishment of school-to-work transition programs. The Governor submits the application on behalf of the State. Within the application for development grants, these parties will need to provide evidence of support for the State's approach for planning and developing a system.

Further, the request for the development grants must show how the State has and will continue to enlist in the planning and development process the active and continued participation of employers and a wide range of other interested parties.

Development funds may be used to support a wide range of activities undertaken to develop a State School-to-Work Opportunities system. These include:

Identifying or establishing an appropriate State structure to administer the School-to-Work Opportunities system;

Identifying existing secondary and postsecondary school-to-work programs which might be incorporated into the State system;

Developing a marketing plan to build consensus and support for School-to-Work Opportunities programs;

Promoting the active involvement of business, including small and medium sized businesses;

Developing a State process for issuing skill certificates that is, to the extent feasible, consistent with the work of the National Skill Standards Board and the skill standards criteria established under Goals 2000;

Designing challenging curricula, in cooperation with representatives of local partnerships, which take into account the diverse learning needs and abilities in the student population; and

Preparing a plan required for submission of the application for an implementation grant.

The Committee expects that all States will receive at least one development grant. If a State needs additional time and resources to complete the development of a School-to-Work Opportunities grants, it may reapply in a subsequent year. The State must provide a timetable and an estimate of the amount of funding needed to complete the planning and development necessary to implement a comprehensive statewide School-to-Work Opportunities system.

Subtitle B.—State implementation grants

The State Implementation Grants provide "venture capital" over a five year period to assist States that have demonstrated substantial ability to begin full-scale operations of a school-to-work system in implementing their statewide plans. The Committee expects that successful plans will produce systemic statewide change that will have substantial impact on the preparation of young people for first jobs in high-skill, high-wage careers, and on increasing opportunities for further education.

These grants are to be awarded on a competitive basis, but the Committee expects that over the next four years every State will receive an implementation grant. It is anticipated that School-to-Work Opportunities funds will thus be distributed in "waves," with leading-edge States awarded the first grants with the understanding that the experiences of those States will improve efforts of other States in later years.

State requests for implementation grants which must be accompanied by a proposed state plan, a description of how the State will allocate funds to local partnerships, and any requests for waivers. As with the development grants, the Governor is to submit the application on behalf of the State.

State plans must address a number of fundamental issues to ensure a successful state-wide school-to-work system. These include:

Ensuring all students equal access to School-to-Work Opportunities programs, including students who are disadvantaged students, students of diverse racial, ethnic, and cultural backgrounds, students with disabilities, students with limited English proficiency, low achieving and academically talented students, and former students who may have dropped out of school;

Ensuring opportunities for young women to participate in programs that lead to jobs in areas not traditionally open to women;

Assuring continued funding for school-to-work programs when funds under this Act are no longer available;

Coordinating with or integrating school-to-work transition programs, including those financed from State and private sources and with funds under this Act, with programs financed under related Federal education and training programs (such as the Carl D. Perkins Vocational and applied Technology Act, the Elementary and Secondary Education Act, the Job Training Partnership Act, the Family Support Act, the Individuals with Disabilities Education Act, the Adult Education Act and the National and Community Service Act);

Assessing the skills and knowledge required in career majors, and awarding skill certificates that, to the extent feasible, are consistent with the work of the proposed National Skill Standards Board and the criteria established under the proposed Goals 2000: Educate America Act.

As in the development grants, States must ensure the collaboration of the key parties at the State level in the implementation of the program and must describe how it plans to obtain the active and continued involvement of employers and other interested parties. The Committee stresses the importance of this collaboration. No one party can bring about a comprehensive statewide School-To-Work Opportunities system alone.

Implementation funds may be expended for activities undertaken to help a State implement its School-to-Work Opportunities system. The legislation provides that such activities may include:

Recruiting and providing assistance to employers to provide work-based learning for all students;

Conducting outreach activities to promote collaboration by key partners;

Providing training for teachers, employers, workplace mentors, counselors and others;

Providing labor market information to partnerships to help determine which high-skill, high-wage occupations are in demand;

Designing or adapting model curricula that can be used to integrate academic and vocational learning, school-based and work-based learning, and secondary and postsecondary education;

Designing or adapting work-based learning programs;

Working with other States that are developing or implementing School-to-Work Opportunities systems; or

Reorganizing and streamlining State systems to facilitate the development of a comprehensive School-to-Work Opportunities systems,

With respect to implementation funds expended for the training of teachers, employers, workplace mentors, counselors and others, the Committee intends that the skills of individuals with experience in such capacities be utilized in the design and conduct of portions of that training.

In addition, funds authorized by this legislation could be used to provide services to individuals who require additional support in order to participate effectively in a School-to-Work Opportunities program.

The Departments of Education and Labor will submit applications received to a peer review process. The Committee expects that these reviewers will be experts in the content areas critical to effective School-to-Work Opportunities systems—for example, in integrated curriculum development, structured learning at the workplace, employer outreach and recruitment, and the provision of services to at-risk students and those with special needs, and career guidance. The Secretaries will determine whether to approve the State's School-to-Work Opportunities plan after receiving the assessment of the plan by the peer review team. In evaluating an application, the Secretaries will take into consideration the quality of the application, its replicability, sustainability and innovation and will give priority to applications which limit administrative costs and maximize amounts spent on delivery of services to students.

If a plan is approved, the Departments will further determine whether to take one or a combination of the following actions: (1) to award an implementation grant, (2) approve the State's request for a waiver, or (3) inform the State of the opportunity to apply for further development funds. The Committee wishes to emphasize here that it is possible for a State to have its plan approved but not receive an implementation grant. School-to-work funds authorized may not be sufficient to allow all States with an approved plan to immediately receive an implementation grant. States can still start implementation activities by using their waiver authority (if approved), using School-to-Work Opportunities development funds, and using funds from other sources.

States must distribute 65 percent of the implementation grant to local partnerships in the first year, 75 percent in the second year and 85 percent in the third year and thereafter. Local partnerships that seek a subgrant must submit an application to the State that includes a description of how their program would (1) include the basic program components identified in Title I; (2) achieve measurable program goals and outcomes; and (3) utilize local strategies and timetables to provide program opportunities for all students.

The Committee believes that establishing links with after-school, weekend, and summer work opportunities represents an important opportunity to expand the reach of school-to-work programs to the millions of today's young people who have part-time jobs. In Minnesota, for example, 69 percent of high school juniors and seniors are employed part-time, working an average of 22 hours per week. Yet, there is virtually no linkage between the potential for learning job and life skills through these jobs and the formal school curriculum.

To begin bridging the gap, Section 212 includes authority to include establishment of links between part-time employment and the school curriculum as an allowable activity for local partnerships using State subgrants. Examples of such activities include career counseling, student peer group discussions, mentoring, and student-teacher-employer seminars.

PARTNERSHIPS

The School-to-Work Opportunities Act is aimed at connecting the worlds of school and work in order to improve the educational expe-

rience of young people and better prepare them for employment in high-skill, high-wage careers. The active participation of business, education and labor in planning, developing and implementing School-to-Work Opportunities programs is critical to accomplishing this. The legislation, therefore, requires local partnerships to be established among employers or employer organizations, secondary schools and postsecondary educational agencies, and labor organizations or non-managerial employee representatives.

The Committee believes that partnerships should be as inclusive as possible and that, in addition to the required partnership members, the other entities described in Section 4(8)(C), Section 202(b)(3), and Section 212(b)(4) can play an important role in planning, developing, and implementing comprehensive School-to-Work Opportunities programs. Community-based organizations, for example, by dint of their relationships to community residents and their record of serving out-of-school youth, are particularly important to providing access to these young people and should be included in local partnerships wherever possible.

States and communities may determine how they wish to form local partnerships for the purposes of this Act. The local partnership does not need to be a new entity.

LINKAGES WITH GOALS 2000: EDUCATE AMERICA ACT

This Act is closely connected to the "Goals 200: Educate America Act" which promotes the development and encourages the voluntary adoption of national academic and skill standards. Along with the upcoming reauthorization of the Elementary and Secondary Education Act, these initiatives all pursue a common strategy of comprehensive education reform. The Committee believes that we cannot change education in a piecemeal fashion. All aspects of the system—standards and assessments, curriculum, teachers development, and governance—must be addressed. These three legislative efforts are based on the premise that a comprehensive approach to reform is needed.

The academic and skill standards will provide a framework within which School-to-Work Opportunities programs will be developed and administered. All students, including students in programs under this Act, will be held to the same high content and performance standards developed by States under the Goals 2000 legislation.

School-to-Work Opportunities programs would have to prepare students—both through school-based and work-based learning—to meet these challenging standards. In addition, the establishment of national skill standards endorsed by the National Skill Standards Board in broad occupational areas would guide the development of what a student in a School-to-Work Opportunities program would need to know to earn a skill certificate. Although these standards are truly voluntary, the Committee encourages States to view these standards as "state-of-art" and, to the extent feasible, ensure that State standards are consistent with those of the National Board. This will facilitate portability nationwide unify training activities.

Title III.—Federal Implementation Grant to Partnerships

This Title authorizes the Departments to award competitive grants to local partnerships in States that have not received an implementation grant or are in States that are in the first year of an implementation grant. The purpose of this Title is to provide funding for communities that are ready to start a School-to-Work Opportunities system in advance of the availability of funds through their State's School-to-Work Opportunities system.

Local partnerships seeking a Federal implementation grant must first submit their application to the State for review and comment. The State's comments, if any, must be included in the grant application when it is sent to the Departments. The application must also describe how the partnership will meet the requirements of the Act as well as information that is similar to information that States must provide in their requests for implementation funds. The local partnership's plan must also be in accord with the approved State plan (if there is such a plan).

Under this title, the Departments are also authorized to award grants to States and localities for programs in high poverty areas in order to provide support for a comprehensive range of education, training, and support services for youth residing in such areas. This provision is linked to the Youth Fair Chance (YFC) program authorized by the Job Training Partnership Act. YFC is intended to fundamentally improve the delivery of services to youth and young adults living in high poverty urban and rural areas by saturating small, high-poverty communities or neighborhoods with a wide array of services.

The high poverty grants in this legislation may be used to support the school-to-work component in a Youth Fair Chance site. YFC funds can then be used as a complementary effort supporting such other services as housing, transportation, health care, safety, nutrition, child care, and sports and recreation.

The high poverty grants may only be awarded for programs that are in accord with approved State and local plans (if any) and are limited to areas with a poverty rate of 20 percent or more among youth aged 5 to 17, inclusive.

Title IV.—National Programs

This Title authorizes the Departments to conduct research and development and demonstration projects and, in cooperation with States and other key parties, to provide training and technical assistance. Although the Act calls for national leadership and coordination from the Departments of Education and Labor, "capacity building" should be performed primarily on the local or state level. This decentralized approach is intended to encourage the use of existing research, evaluation, technical assistance, training and communication capabilities that are available through non-profit organizations, academic institutions and other resources.

The Departments must also, in collaboration, with the States, establish a system of performance measures to assess and evaluate State and local programs regarding:

Progress in the development and implementation of State plans;

Participation in the program by employers, schools and students;

Progress in addressing needs of all students;

Progress in meeting the State's goals to ensure opportunities for young women to participate, particularly in nontraditional occupational skill areas;

Student outcomes, including academic learning gains, school persistence and attainment;

Placement in further education and training, particularly in the student's career major; and job placement, job retention and earnings; and

Meeting the needs of employers.

The legislation calls for a number of reports, including reports from the States to the Secretaries on the above-mentioned issues and reports on the extent to which current Federal programs may be duplicative, outdated, overly restrictive, or otherwise counterproductive to the development of School-to-Work Opportunities systems. The Secretaries must also report to the Congress on the School-to-Work Opportunities system no later than 24 months after enactment of this legislation.

The Departments are directed to conduct a national evaluation of school-to-work opportunities programs funded under this Act that will track and assess the progress of implementation.

Ensuring that all young women have the same opportunities, encouragement and options as young men is an integral component of this Act. The Departments should maintain a statistical breakdown of girls trained in nontraditional occupations. The breakdown should include the occupation and wage-at-placement figures. In addition, the Departments should assess whether proactive measures have been taken by School-to-Work Opportunities programs to recruit, train, place, and retain young women in nontraditional occupational skill areas.

The Secretaries are also directed to establish a Clearinghouse and Capacity Building Network, through grants, contracts, or other arrangements. A large number of states are now implementing and will be implementing a variety of School-to-Work Opportunities program models. Thus, it is crucial for the Clearinghouse and Capacity Building Network to collect and disseminate information on (1) successful school-to-work activities, including innovative curricula; (2) skill certificates, skill standards, and related technologies; and (3) methods for recruiting and building the capacity of employers to provide work-based learning opportunities, as well as other pertinent activities.

Title V.—General Provisions

WAIVERS

An additional tool for States to use in starting up and implementing a School-to-Work Opportunities program is the opportunity to seek waivers for up to five years to one or more statutory or regulatory provisions in selected programs under the Elementary and Secondary Education Act; the Carl D. Perkins Vocational and Applied Technology Act and the Job Training Partnership Act. Waivers will not be given to any provision affecting a program's es-

sential purposes and goals, eligibility requirements, allocation of funds requirements or safeguards.

States will be required to identify the provisions in the relevant legislation that impede their abilities to implement a School-to-Work programs and to submit their requested waivers to the appropriate Department. States must also waive similar requirements in State law. States must offer to local partnerships and local educational agencies an opportunity to comment on the State's proposal to seek a waiver. The Secretaries may terminate any waiver granted if it is determined that the performance of the State, the partnership, or local educational agency affected by the waiver has been inadequate to justify continuation of the waiver.

The Committee believes that the opportunity to seek waivers is an innovative and constructive tool for States as they build School-to-Work Opportunities systems. The Committee encourages States and local partnerships to work together to identify provisions in statute or regulations that would facilitate implementation of a School-to-Work Opportunities program and build linkages between programs.

Under the legislation, the Secretary may not arbitrarily waive any provision of law which would result in material impairment of any statutory or regulatory rights or benefits of students or workers.

Nothing in this Act is intended to limit rights or remedies available under other provisions of law, including but not limited to section 1983 of the Civil Rights Act.

SAFEGUARDS

The legislation includes safeguards for the School-to-Work Opportunities program to protect students and existing workers. Among other stipulations, these safeguards will prohibit the displacement of any currently employed worker or reduction in the hours of nonovertime work, wages or employment benefits. The bill also ensures the integrity of existing contracts for services or collective bargaining agreements and the applicability of health, safety and civil rights laws. No student can be employed under this Act when any other individuals is on temporary layoff from the participating employer.

JOINT ADMINISTRATION

The Department of Education and Labor will jointly administer, in consultation with the Secretary of Commerce, the programs established under this Act. Within 120 days from the State of enactment of this Act, the Secretaries shall provide a plan for the joint administration of the School-to-Work Opportunities Act to the authorizing Committee for review and comment.

SANCTIONS

The Secretaries have the authority to terminate or suspend financial assistance, or not extend a grant, if they determine that a recipient has failed to meet the requirements of the Act, including requirements to submit required reports, or has failed to meet requirements of any regulations or an approved plan that has been

submitted. The Secretaries must give notice and the opportunity for a hearing within 30 days after *notice of* termination or suspension.

SUNSET PROVISION

The authority provided under this Act will terminate on October 1 of the ninth year following enactment of the legislation. It is not the intent of the Committee to establish another permanent Federal program. The Committee wants to emphasize that the purpose of the legislation is to provide national leadership and initial resources and support to States and communities to build School-to-Work Opportunities systems. Our ultimate goal is to promote ongoing community ownership and responsibility for bettering young Americans' career opportunities.

The Role of Employers in the School-to-Work Opportunities Act of 1993

The Committee recognizes the important role employers must play in effective school-to-work transition programs—in the development of standards; in curriculum preparation; in the design of structured work experiences and other school-to-work models; in the certification process; and in the creation of work-based learning opportunities for students.

The Committee believes it is important that, in addition to basic readiness skills, students learn the skills required in high performance workplaces. Employers are critical in defining these skills. The Committee, therefore, encourages partnerships, with the active involvement of employers, to prepare curricula, and design work-based learning components that incorporate the principles of total quality.

The Committee believes that students and businesses will benefit from a curriculum that integrates school-based and work-site learning; that is developed jointly by schools, employers, and labor; and that ensures that there are high standards for graduation and that students learn the required skills.

The Committee encourages large and small businesses to become involved with local education agencies and schools to improve the school-to-work transition process. An effective collaboration between schools and business must ensure that transition programs teach students the skills that business needs. The Committee believes that this will be the best incentive for active business participation.

The Committee encourages the active, visible, and continued involvement of the employer community in the development of the State plan, the implementation of the State program, and, particularly, in the local partnership administering the school-to-work program. Only through such a hands-on employer role will students and schools be continually aware of the changing demands of the workplace.

Application of the School-to-Work Opportunities Act of 1993 to Individuals with Disabilities

On July 26, 1990, the Americans with Disabilities Act (ADA) was signed into law. The ADA is an omnibus civil rights law that prohibits discrimination on the basis of disability by, among others, employers and entities providing public and private secondary and postsecondary education.

The ADA is premised on a system of values that forms the basis for our national disability policy. Under the ADA, disability is recognized as a natural part of the human experience and in no way diminishes the right of individuals to live independently, enjoy self-determination, make choices, contribute to society, pursue meaningful careers, and enjoy full inclusion and integration into all aspects of society.

In short, the ADA establishes the basis for a national policy that focuses on the inclusion, independence and empowerment of individuals with disabilities.

The ADA has provided the nation with the impetus to reexamine how it is treating individuals with disabilities in all aspects of American life, including during the important transition between school and work. At the same time we are now in the process of reassessing our educational systems for all students. Congress fully recognizes students with disabilities as one part of a larger student population, and has clearly included them in educational reform. It is also critical to include students with disabilities in our nationwide effort to develop systems to provide school-to-work opportunities for American youth.

Part B of the Individuals with Disabilities Education Act (IDEA) extends to students with disabilities the right to a free appropriate public education based on the unique needs of the student. This Act mandates that, to the maximum extent appropriate, students with disabilities must be educated with students who are not disabled, and special classes, separate schooling, or other removal of students with disabilities from regular education environments occurs only when the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.

Part B of IDEA requires an Individualized Educational Program (IEP) for each student. IDEA specifies that "the IEP for each student, beginning no later than age 16 (and at a younger age if appropriate) must include a statement of needed transition services . . .". Transition services means a coordinated set of activities that includes instruction, community experiences, and development of employment and other post-school adult living objectives. Students and parents are encouraged to actively participate in the development of transition goals and objectives. These requirements are designed to ensure that all areas essential to successful postschool adult living for individual students are addressed within their IEP.

The Rehabilitation Act Amendments of 1992 are intended to ensure that the Rehabilitation Act of 1973 is consistent with the precepts of ADA. Provisions were added to ensure that all students who require vocational rehabilitation services receive those services in a timely manner. There should be no gap in services between

the education system and the vocational rehabilitation system. During the transition years, the role of the rehabilitation system is to work collaboratively with the educational system and to plan for student's years after leaving school.

The Committee wishes to send a clear and unequivocal message that the School-to-Work Opportunities Act of 1993 is fully consistent with the ADA and implements the values and precepts of the ADA in the context of school-to-work opportunities. The Committee also wishes to send the message that this legislation is fully consistent with and complements the spirit and intent of Part B of the Individuals with Disabilities Education Act (IDEA) and the Rehabilitation Act of 1973, including Section 504.

The Committee believes that the transition service requirements in IDEA and in the Rehabilitation Act of 1973 provide an appropriate framework for assuring that students with disabilities and their families successfully access and fully participate in all program components of the Act. Further, the Job Training Partnership Act and the Carl D. Perkins Vocational and Applied Technology Education Act include specific provisions to ensure the participation of youth with disabilities in the training and employment programs authorized under these Acts.

It is the Committee's expectation that the School-to-Work Opportunities Act of 1993 will serve as an important vehicle for making the promise of ADA a reality for all students with disabilities. Therefore, under this legislation, students with the full range of disabilities must be an integral part of all aspects of the School-to-Work systems, including career exploration and counseling, planned programs of study and job training that lead to the award of a skill certificate, and data collection and analysis regarding the post-program outcomes of all students.

The Committee intends that the exclusion of individuals with disabilities from any aspect of State or local school-to-work systems is unacceptable. This means that students with disabilities are entitled to the same high expectations, treatment, and leadership offered to the nondisabled peers, including:

The adoption of effective strategies that provide mechanisms and appropriate paths to the workforce and to postsecondary education;

An expectation that all students across a broad range of performance will be held to high standards if they are to realize their full potential;

Recognition that involvement and leadership by teachers, related-services personnel, rehabilitation personnel, employers, parents, and students is critical;

An effective and meaningful opportunity to participate in a broad and challenging curriculum and to have access to resources sufficient to address other education and training needs;

The appropriate and innovative use of technology; and

The use of assessments or systems of assessments that are used for a purpose for which they are valid, reliable, fair, and free of discrimination (including adaptations and accommodations necessary to permit such participation).

Furthermore, all students, including students with disabilities, must be part of the system of performance measures and the national evaluation, and data from students with disabilities must be included in any performance outcome and evaluation system and reports.

Streamlining and Integrating Programs

The Committee shares the concern of many observers who have commented on the proliferation of and duplication in our existing array of job training and work-related education programs. On June 15, 1993, the General Accounting Office (GAO) reported that it had identified 14 Federal agencies administering 151 employment and training programs at a cost of $24 million during 1993. We agree with the GAO there are too many funding streams for job training and work-related education and they do not represent a system.

The School-to-Work Opportunities Act provides a valuable tool to States and communities to integrate, streamline, or better coordinate existing programs that fund work-related education and training for young people. A fundamental aspect of this legislation is that it does not create a new, categorical program that will be authorized indefinitely. Rather, it provides limited Federal resources—over a short period of time—for States and communities to engage in systemic reform by modifying and realigning education and training programs that already exist.

The legislation is premised on the knowledge that there are currently a number of effective programs that already contain some elements of a School-to-Work Opportunities system. They include: Youth Apprenticeship, Tech-Prep, Co-op Education, Career Academies, and School-to-Registered Apprenticeship. S. 1361 calls for key unifying elements to be incorporated into all School-to-Work Opportunities programs that will lead to common outcomes for participants. The Committee expects that States and communities will modify existing programs as needed in order to form the foundation for a comprehensive, statewide School-to-Work Opportunities system.

The legislation does not require the formation of new governance structures or advisory committees to operate a School-to-Work Opportunities system. Rather it identifies key stakeholders that need to be part of this system and allows States and communities to determine how these entities will be brought together to develop and implement a School-to-Work Opportunities system.

The planning process called for in S. 1361 requires States to present to the Department of Education and Labor the manner in which the School-to-Work Opportunities systems will coordinate with or integrate local school-to-work programs with related Federal human resource programs such as those funded by the Adult Education Act, the Carl D. Perkins Applied Vocational and Applied Technology Education Act, the Higher Education Act, and the Job Training Partnership Act. This information will be an important element in the Department's consideration of the State's request for implementation funds.

The legislation authorizes waivers to help break down barriers between the School-to-Work Opportunities system and other se-

lected education and job training programs if statutory or regulatory provisions impede implementation of the School-to-Work Opportunities system or coordination between programs. Waivers can be used to develop a "seamless" system for providing education and training services to students.

The legislation allows for and the Committee encourages the Departments to use their technical assistance funds to provide assistance to States and partnerships to integrate resources under this Act with resources available under other Federal, State and local authorities.

The Committee has taken a number of additional steps in its consideration of S. 1361 to strengthen the bill's focus on forging a school-to-work system by promoting consolidation and integration of existing programs.

States may use their implementation funds to reorganize and streamline School-to-Work Opportunities systems in the State to facilitate the development of a comprehensive statewide system;

States must prepare and submit reports to the Secretaries of Education and Labor on the extent to which Federal programs implemented at the State and local level may be duplicative, outdated, overly restrictive or otherwise counterproductive to the development of a comprehensive, statewide School-to-Work Opportunities system. A summary of this information must be submitted to the Congress by the Secretaries.

The Committee believes that S. 1361 and the provisions contained within it provide a framework and common goals in which existing programs funded through different sources can be brought together to serve students in a rationalized and coherent manner as they are preparing to enter the workforce.

V. Cost Estimate

U.S. Congress,
Congressional Budget Office,
Washington, DC, November 8, 1993.

Hon. Edward M. Kennedy,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1361, the School-to-Work Opportunities Act of 1993, as ordered reported by the Senate Committee on Labor and Human Resources on November 3, 1993.

S. 1361 allows for the accepting and disposing of gifts by the Departments of Education and Labor. This could result in changes in direct spending and receipts. Therefore, the bill would be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

James L. Blum,
(For Robert D. Reischauer).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1361.

2. Bill title: School-to-Work Opportunities Act of 1993.

3. Bill status: As ordered reported by the Senate Committee on Labor and Human Resources on November 3, 1993.

4. Bill purpose: To establish a national framework for the development of School-to-Work Opportunities systems in all states, and for other purposes.

5. Estimated cost to the Federal Government:

FEDERAL GOVERNMENT COSTS

[By fiscal year, in millions of dollars]

	1994	1995	1996	1997	1998
Bill total:					
Estimated authorization of appropriations		300	308	316	324
Estimated outlays		36	241	301	315

Note: Details may not add to totals because of rounding.

The costs of this bill fall within budget function 500.

Basis of estimate: S. 1361 establishes a national framework for the development of school-to-work opportunities systems in all states. The bill authorizes the appropriation of $300 million in 1995 and such sums as may be necessary for 1996 through 2002. CBO estimates the authorization levels for 1996 to 1998 by adjusting the 1995 authorization of appropriations for projected inflation. Outlays are estimated by considering historical spending patterns for similar programs. Estimated outlays assume full appropriation of authorized amounts.

S. 1361 authorizes the Secretaries of the Departments of Education and Labor to accept and use or dispose of gifts and donations of property and services in carrying out the act. Such authorization provides the departments with direct spending authority in the absence of an appropriation. Since donations are uncommon in other instances when agencies of these departments have this authority, and because no particular gifts are expected, CBO has not estimated any direct spending effects from this provision.

6. Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. The pay-as-you-go effects of the bill are as follows:

[By fiscal years, in millions of dollars]

	1994	1995	1996	1997	1998
Outlays	0	0	0	0	0
Receipts	0	0	0	0	0

7. Estimated cost to State and local governments: S. 1361 authorizes competitive grants to states. No matching funds are required. If a state chose to participate in the program, the long-term cost to the state of implementing a school-to-work system of the scope outlined by the bill likely would exceed the funds provided by S. 1361.

8. Estimate comparison: None.

9. Previous CBO estimate: None.
10. Estimate prepared by: Dorothy Rosenbaum.
11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

VI. Regulatory Impact

The Committee has determined that there will be minimal increases in the regulatory burden imposed by this bill.

VII. Section-by-Section Analysis

Section 1 provides a short title and a table of contents.

Section 2 and section 3 contain the findings, purposes, and intent of Congress in enacting the bill.

Section 4 provides definitions for the fundamental terms used in the bill.

Section 5, subsection (a), provides that notwithstanding the Department of Education Organization Act, 20 U.S.C. 3401 *et seq.*, the General Education Provision Act, 20 U.S.C. 1221 *et seq.*, the statutory provisions regarding the establishment of the Department of Labor, 29 U.S.C. 551 *et seq.*, and section 166 of the Job Training Partnership Act, 29 U.S.C. 1576, the Secretaries shall jointly administer the Act, and may issue whatever procedures, guidelines, and regulations, in accordance with 5 U.S.C. 553, they deem necessary and appropriate to administer and enforce the provisions of this Act. Section 5 would provide the Secretaries the flexible administrative authority that need to jointly implement programs under this Act on a timely and effective basis. Subsection (b) provides specifically that section 431 of the General Education Provisions Act, 20 U.S.C. 1232, pertaining to rule-making procedures applicable to the Department of Education, shall not apply to any programs under this Act. Subsection (c) would require the Secretaries to submit a plan for the joint administration of the School-to-Work Opportunities Act to the authorizing Congressional committees, for their review and comment.

Title I.—School-to-Work Opportunities Basic Program Components

Section 101 contains the general requirements of a School-to-Work Opportunities program under the Act, which are that all programs must: (1) integrate work-based and school-based learning; (2) provide participating students with opportunities to complete a career major; (3) incorporate the basic program components provided by sections 102 through 104; (4) provide students, to the extent practicable, with strong experience in and understanding of all aspects of the industry they are preparing to enter; and (5) provide students with equal access to all school and work based program components.

Section 102(a) provides that the work-based learning component of a School-to-Work Opportunities program shall include: (1) paid work experience; (2) a planned program of job training and work experiences; (3) workplace mentoring; and (4) instruction in general workplace competencies. Subsection (b) allows for the additional activities of job shadowing, school-sponsored enterprises, or academic credits for on-the-job training.

Section 103 provides that the school-based learning component of a School-to-Work Opportunities program shall include: (1) career exploration and counseling; (2) initial selection of a career major; (3) a program of study designed to meet the same academic content standards the State has established for all students and the requirements necessary to earn a skill certificate; and (4) regularly scheduled student evaluations.

Section 104 provides that the connecting activities component of a School-to-Work Opportunities program shall include: (1) matching students with work-based learning opportunities; (2) serving as a liaison among the employer, school, teacher, parent, and student, and, if appropriate, other community partners; (3) providing technical assistance and services in designing work-based learning components and counseling and case management services, and in training teachers, mentors, and counselors; (4) providing assistance to schools and employees in integrating school- and work-based learning and academic and occupational learning; (5) providing post-program assistance to student participants and linking participants with other community services in order to aid in successful school-to-work transitions; (6) collecting and analyzing information regarding post-program outcomes of students; and (7) linking youth development activities under this Act with employer and industry strategies for upgrading the skills of their workers.

Title II.—School-to-Work Opportunities System Development and Implementation Grants to States

Subtitle A—State development grants

Section 201 provides that the purpose of subtitle A is to assist States in planning and developing comprehensive, statewide School-to-Work Opportunities systems.

Section 202, subsection (a) provides that Governors may apply on behalf of their States for development grants to the Secretaries of Labor and Education, and that the Secretaries may award a grant in such amount as they determine necessary, not to exceed $1,000,000 in any fiscal year, for a State to complete planning and development of a comprehensive, statewide School-to-Work Opportunities system. The Secretaries may also award grants to complete developments initiated with funds awarded under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) or the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

Subsection (b) of section 202 sets forth the required contents of a State application for a development grant as follows: (1) a timetable and an estimate of funding needed to complete the necessary planning and development to implement a comprehensive, statewide system; (2) a description of the manner in which key State officials will collaborate with each other in developing the State system; (3) a description of how the State has enlisted and will continue to enlist the active participation of employers and various interested groups and organizations in developing School-to-Work Opportunities programs; (4) a description of the method by which the State will coordinate its planning activities with any local school-to-work transition programs; (5) the designation of a fiscal

agent to receive and be accountable for funds; (6) such other information as the Secretaries may require; (7) evidence of agreement and support for the application among the key State officials; and (8) be submitted at such time and in such manner as the Secretaries may require.

Subsection (c) of section 202 provides that funds awarded shall be expended only for activities to develop a statewide School-to-Work Opportunities system, and that such activities may include: (1) identifying or establishing State structures to administer the School-to-Work Opportunities system; (2) identifying existing secondary and postsecondary school-to-work programs that may be incorporated into the State system; (3) establishing broad-based partnerships; (4) developing a marketing plan; (5) promoting the active involvement of business in planning, developing, and implementing local School-to-Work Opportunities programs; (6) identifying ways that existing local school-to-work transition programs could be coordinated with the statewide School-to-Work Opportunities System; (7) supporting local planning and development activities; (8) identifying or establishing mechanisms for training and technical assistance; (9) initiating pilot programs for testing key components of State program designs; (10) developing a State process for issuing skill certificates; (11) designing challenging curricula; (12) developing a labor market analysis system; (13) analyzing post high school experiences of recent graduates and dropouts; (14) preparing the plan required for submission of an application for an Implementation Grant; and (15) developing a training and technical support system for teachers, employers, mentors, counselors, and others.

Subtitle B.—State implementation grants

Section 211 provides that the purpose of this subtitle is to assist States in the implementation of a comprehensive, statewide School-to-Work Opportunities system.

Section 212, subsection (a) provides that a Governor, on behalf of a State, may apply for a competitive five-year implementation grant by submitting an application that contains a State plan that meets the minimum content requirements contained in subsection (b); describes how the State will allocate funds under this Act to local School-to-Work Opportunities partnerships; includes a request for waivers if the State decides to submit one; describes how the Governor, key State officials, and the private sector collaborated in the development of the State's application; and includes any other information required by the Secretaries.

Subsection (b) of section 212 provides that a State School-to-Work Opportunities plan must contain: (1) a designation of geographical areas to be served by partnerships, which to the extent feasible shall reflect local labor market areas; (2) a description of how the State will stimulate and support local School-to-Work Opportunities programs that meet the requirements of this Act, and how the State's system will be expanded over time to cover all geographic areas in the State; (3) a description of how the key State officials will collaborate with each other in the implementation of the State's School-to-Work Opportunities system and evidence of agreement and support for the State's plan among those officials; (4) a description of how the State has obtained and will continue

to obtain the active involvement of employers and various interested groups and organizations in the School-to-Work Opportunities system; (5) a description of how the State School-to-Work Opportunities system will coordinate with or integrate existing local school-to-work transition programs, including those supported with State and private sources, with funds under related Federal programs; (6) a description of the State's strategy for training teachers, employers, mentors, counselors, and others; (7) a description of the State's strategy for incorporating project-oriented, experiential learning programs, integrating theory and academics with practical job skills and applications into the school curriculum for all students in the State; (8) a description of the resources, including private sector resources, that the State intends to employ in maintaining the School-to-Work Opportunities system; (9) a description of how the State will ensure that all students have opportunities to participate in School-to-Work Opportunities programs; (10) a description of the State's goals and methods for ensuring that young women will have opportunities to participate in School-to-Work Opportunities programs in a manner leading to employment in high-performance, high-paying jobs; (11) a description of how the State will ensure that low achieving students, students with disabilities, and former students who have dropped out of school will have opportunities to participate in School-to-Work Opportunities programs; (12) a description of the State's process for assessing the skills and knowledge required in career majors, and awarding skill certificates that, to the extent feasible, is consistent with the work of the National Skill Standards Board; (13) a description of the manner in which, to the extent feasible, the State will continue local programs funded under section 302; (14) a description of how local school-to-work transition programs will be integrated into the State School-to-Work Opportunities system; (15) a description of the performance standards the State intends to meet; and (16) a designation of a fiscal agent.

Subsection (c) of section 212 provides that the Secretaries shall submit each application to a peer review process and determine whether to approve the State's School-to-Work Opportunities plan, and, if such determination is affirmative, further determine whether to take one or a combination of the following actions: (1) award an implementation grant; (2) approve the State's waiver request, if any; or (3) inform the State of the opportunity to apply for further development funds, except that further development funds may not be awarded to a State that receives an implementation grant. As part of its application for a development grant, the State must include a timetable and estimate of the funding needed to complete the planning and development process.

Subsection (d) of section 212 provides that in evaluating applications the Secretaries shall consider the quality of the application and give priority to applications that would limit administrative costs and increase funds spent to provide actual services to students and to applications that demonstrate the highest levels of collaboration among appropriate State agencies and officials and the private sector.

Subsection (e)(1) of section 212 provides that the Secretaries shall establish the minimum and maximum amounts for implemen-

tation grants and shall determine the amount awarded to a particular State based on criteria such as scope and quality of the plan and number of projected program participants. Subsection (2) provides that no State shall be awarded more than one implementation grant.

Subsection (f) of section 212 provides that funds awarded may be expended by a State only for activities to implement the State's system, including such activities as: (1) recruiting and assisting employers; (2) conducting outreach; (3) training teachers, employers, mentors, counselors, and others; (4) providing labor market information to partnerships; (5) designing or adapting model curricula that can be used to integrate academic and vocational learning, school-based and work-based learning, and secondary and postsecondary education; (6) designing or adapting model work-based learning programs and identifying best practices; (7) conducting outreach activities and providing technical assistance to other States that are developing or implementing School-to-Work Opportunities systems; (8) reorganizing State systems to facilitate the development of a comprehensive School-to-Work Opportunities system; (9) identifying ways that existing local school-to-work transition programs could be integrated with the statewide system; (10) designing career awareness and exploration activities; and (11) designing and implementing school-sponsored work experiences; (12) providing career exploration and awareness services, counseling and mentoring services and other such services to prepare students for the transition from school to work.

Subsection (g) of section 212 provides that a State shall award subgrants to partnerships totaling not less than 65 percent of the sums awarded to it under this section in the first year, 75 percent of such sums in the second year, and 85 percent thereafter.

Paragraph 1 of subsection (h) of section 212 provides that a partnership may apply for a State subgrant by submitting an application that: (1) describes how the program would include the basic program components and otherwise meet the requirements of title I of this Act; (2) sets forth measurable program goals and outcomes; (3) describes the local strategies and timetables to provide School-to-Work Opportunities program opportunities for all students; (4) provides such other information as the State may require and; (5) is submitted at such time and in such manner as the State may require.

Paragraph 2 of subsection (h) of section 212 provides that funds shall be expended by a partnership only for activities to carry out School-to-Work Opportunities programs as defined in the Act, and that such activities may include: (1) recruiting and assisting employers in providing the work-based learning components; (2) establishing consortia of employers; (3) supporting or establishing intermediaries; (4) designing or adapting school curricula that can be used to integrate academic and vocational learning, school-based and work-based learning, and secondary and postsecondary education; (5) providing training to work-based and school-based staff; (6) establishing a graduation assistance program to assist at-risk students, low-achieving students, and students with disabilities in graduating from high school, enrolling in postsecondary education or training, and finding or advancing in jobs; (7) conducting or ob-

taining local labor market analysis; (8) integrating work-based and school-based learning into existing job training programs for youth who have dropped out of school; (9) establishing or expanding school-to-apprenticeship programs in cooperation with registered apprenticeship agencies; (10) assisting participating employers in identifying and training workplace mentors and developing work-based learning components; (11) designing local strategies to provide adequate planning time and staff development activities for teachers, school counselors, related services personnel, and school site mentors; (12) enhancing linkages among existing after-school, weekend, and summer jobs, career exploration, and school-based learning; and (13) provide career exploration and counseling services to students.

Section 213 places limitations on administrative costs. Subsection (a) requires that States receiving implementation grants may not use more than 15 percent of amounts received through the grant in any fiscal year for administrative costs. Subsection (b) applies the same standards to local programs that receive grants under Section 212.

Title III.—Federal Implementation Grants to Partnerships

Section 301 provides that it is the purpose of this title to authorize the Secretaries to award competitive grants to partnerships in States that have not received an implementation grant in order to provide funding for communities that are ready to begin implementing a local School-to-Work Opportunities system. Section 301 also provides that it is the purpose of this title to authorize the Secretaries to award competitive grants to implement School-to-Work Opportunities programs in high poverty areas of urban and rural communities.

Section 302, subsection (a) provides that the Secretaries may award School-to-Work Opportunities implementation grants to partnerships in a State that has not received an implementation grant under section 212 or are in the first year of such a grant, according to competitive criteria established by the Secretaries.

Subsection (b) of section 302 provides that a partnership may apply directly to the Secretaries for an implementation grant after first submitting the application to the State for review and comment.

Subsection (c) of section 302 provides that the grant application shall include a local plan that: (1) describes how the partnership will meet the requirements of this Act; (2) includes the State's comments, if any; (3) contains information that is consistent with the content requirements for a State plan that are specified in section 212(b) (4) through (10); (4) designates a fiscal grant; and (5) provides other information the Secretaries may require.

Subsection (d) of section 302 provides that the Secretaries shall not award a grant to a partnership in a State that has an approved plan unless the Secretaries determine, after consultation with the State, that the plan submitted by the partnership is in accord with the approved State plan.

Subsection (e) of section 302 limits the expenditure of funds awarded under this section to activities undertaken to implement a program under the Act.

Section 303, subsection (a)(1) provides that from the funds reserved under section 506(b), the Secretaries are authorized to award grants for programs in high poverty areas according to competitive criteria established by the Secretaries. Subsection (a)(2) of section 303 defines the term "high poverty area" as an urban census tract, the block number area in a nonmetropolitan county, a Native American Indian reservation, or an Alaska native village, with a poverty rate of 20 percent or more among youth aged 5 to 17, inclusive, as determined by the Bureau of the Census.

Subsection (b) of section 303 contains application procedures and requirements for grants under this section. Subsection (c) describes application contents. Plans for local School-to-Work programs shall include: (1) the manner in which the partnership will meet the requirements of this Act, (2) comments of the State, if any, (3) information consistent with information required to be submitted as part of a State plan, (4) designates a fiscal agent to be accountable for funds received, and (5) provides other information as the Secretaries may require.

Subsection (d) of section 303 would prohibit the Secretaries from making a grant under this section to a partnership in a State with an approved plan unless the Secretaries determine that the partnership's plan is in accord with the State's plan. Subsection (e) of section 303 provides that funds under this section may be expended by a partnership only to implement a School-to-Work Opportunities program under this Act.

Subsection (f) of section 303 provides that funds available under this section may be awarded in combination with funds appropriated for the Youth Fair Chance Program.

Title IV.—National Programs

Section 401(a) provides that the Secretaries shall conduct research and development, and establish a program of experimental and demonstration projects that will further the purposes of this Act. Subsection (b) states that funds available under the Act may also be used for programs or services that are appropriately administered at the national level and that will operate in, or benefit more than, one State.

Subsection 402 provides that the Secretaries, in collaboration with the States, shall establish a system of performance measures to assess and evaluate State and local programs, including assessing the outcomes of all participating students. Section 402 also requires the Secretaries to conduct a national evaluation of School-to-Work Opportunities programs funded under the Act, and provides for periodic State reports to the Secretaries as well as the Secretaries' report to Congress not later than 24 months from the date of enactment.

Section 403 provides that the Secretaries: (1) shall work in cooperation with the States, employers and their associations, schools, student and teacher organizations, labor organizations, and community-based organizations to increase their capacity to develop and implement effective School-to-Work Opportunities programs; (2) will provide training and technical assistance to various groups, including States and partnerships, to improve the quality of services provided and integrate resources under this Act; and (3)

may use funds under section 505(c) for the peer review of State applications and plans under section 212 and applications under title III of this Act. Finally, section 403 requires the Secretary to establish a Clearinghouse and Capacity Building Network to assist States and partnerships by collecting and disseminating information and facilitating communication.

Title V.—General Provisions

Section 501, subsection (a), provides that a State with an approved plan may ask the Secretaries to waive certain statutory or regulatory provisions to carry out the purposes of the Act. Subsection (b) provides that a partnership that seeks a waiver of any of the laws specified in sections 502 and 503 shall apply to the State, which shall determine whether to submit the application for a waiver to the Secretaries. Subsection (c) provides that a request by a State must meet the criteria contained in section 502 or section 503. Subsection (d) requires the State to provide evidence of support for the waiver by affected State agencies or officials.

Section 502, subsection (a), provides the factors that the Secretary of Education must consider, when evaluating a State's request for a waiver from laws and regulations administered by the Department of Education. It also contains the requirements that a State must meet when it applies for a waiver, such as providing all participating local educational agencies and partnerships in the State with notice and an opportunity to comment on the State's proposal to seek a waiver. The waivers would be for no more than five years, but may be extended by the Secretary of Education. Subsection (b) identifies the statutes subject to the waiver authority of the Secretary of Education. Subsection (c) lists certain requirements of law that cannot be waived. Subsection (d) provides that the waivers will be periodically reviewed and authorizes their termination if State or local performance has been inadequate to justify a continuation of the waiver, or the State has failed to waive similar requirements of State law as required or agreed to in accord with section 502(a)(1)(B).

Section 503, subsection (a), provides for waiver authority, similar to that of section 502, for the Secretary of Labor with respect to statutory provisions (and their implementing regulations) administered by the Department of Labor. These waivers would also be for no more than five years, but may be extended by the Secretary of Labor. Subsection (b) identifies the Job Training Partnership Act as subject to the waiver authority of the Secretary of Labor. Subsection (c) lists certain requirements of law that cannot be waived. Subsection (d) provides that the waivers will be periodically reviewed and authorizes their termination if State or local performance has been inadequate to justify a continuation of the waiver, or the State has failed to waive similar requirements of State law as required or agreed to in accord with section 503(a)(1)(B).

Section 504 provides safeguards for the School-to-Work Opportunities programs, including: (1) a nondisplacement provision to protect employees, so they will not be displaced by students participating in the program; (2) a provision prohibiting the impairment of existing contracts for services or collective bargaining agreements; (3) a provision prohibiting the employment of a student under this

Act when any other individual is on temporary layoff from the participating employer; (4) a requirement that students be provided with adequate and safe equipment and a safe and healthful workplace; (5) a provision that nothing in the Act shall be construed to modify or affect any Federal or State law prohibiting discrimination; (6) a prohibition against using funds appropriated under the Act to pay student wages; and (7) such other safeguards as the Secretaries find appropriate.

Section 505(a) authorizes the Secretaries to terminate or suspend financial assistance under the Act if they determine that a recipient has failed to meet the requirements of the Act, any regulations under the Act, or its approved plan. Prompt notice and opportunity for a hearing would be required. Subsection (b) would prohibit the Secretaries from delegating any functions or authority under this section to an officer whose appointment was not subject to Senate confirmation.

Section 506(a) authorizes appropriations of $300 million in fiscal year 1995, and such sums as may be necessary in each of the seven succeeding fiscal years. Subsection (b) states that the Secretaries may reserve up to $30 million in fiscal year 1995, and such sums as may be necessary in each of the succeeding seven years under this Act, for High Poverty Areas. The funds for High Poverty Areas may be used in conjunction with funds available under the Youth Fair Chance Program, title IV–H of the Job Training Partnership Act (29 U.S.C. 1671, *et seq.*). Under subsection (c) the Secretaries may also reserve up to $30 million in fiscal year 1995, and such sums as they may deem necessary in each of the seven succeeding fiscal years, for National Programs. The Secretaries may also reserve up to one quarter of one percent for School-to-Work Opportunities programs under this Act for the territories of the United States, and the Secretaries may reserve up to one quarter of one percent of the funds appropriated in any fiscal year under section 506(e) for School-to-Work Opportunities programs for Indian youth. Funds obligated in any fiscal year under the Act shall remain available until expended.

Section 507 provides the Secretaries, in carrying out this Act, with the authority to accept gifts and voluntary services.

Section 508 provides that nothing in the Act shall be construed to supersede the legal authority under State law of any State agencies or public officials over existing programs within their jurisdictions.

Section 509 provides that nothing in the Act shall be construed to establish a right for any person to bring an action to obtain services under the Act.

Section 510 provides that this Act shall take effect upon enactment.

Section 511 provides that the Act shall terminate on October 1 of the ninth calendar year following the year of enactment.

VIII. MINORITY VIEWS ON S. 1361

This legislation, the School-to-Work Opportunities Act of 1993, addresses an issue of considerable importance: how to prepare our young people to meet the challenges of, and to succeed in, the highly skilled, highly competitive workplaces of the 21st century. The challenge is to help the majority of American youth make a smooth transition from high school to productive and rewarding employment and further learning.

The task is a formidable one. There are many barriers which exist to creating the kind of system which experts, including the Commission on the Skills of the American Work Force, say is necessary to train the United States work force for competition in a global economy. Meeting this challenge will require significant changes in the relationship between schools and employers and in the restructuring of academic and vocational learning. For example, many businesses are reluctant to invest in the long-term training of young people and many school officials are unwilling to share academic decision making with private employers. Clearly, there is need for a new direction. However, we question whether the School-to-Work Opportunities Act, as currently drafted, meets this need.

The legislation purports to lay the groundwork for establishing a comprehensive national school-to-work system, built upon a number of existing school-to-work transition programs, such as tech-prep, career academies, and youth apprenticeship programs. We share the goal of creating a more universal and integrated system that prepares all young Americans to enter the work force.

However, rather than creating an overall framework under which these separate programs could be consolidated or integrated into one system at the state and local levels, we believe that the bill will create yet another stand-alone program, operating alongside similar, existing programs. While the bill moves in the direction of encouraging coordination of existing programs into the statewide system, we believe it falls short of providing the incentives and flexibility necessary to achieve true integration. The bill does provide the Secretaries of Labor and Education with authority to allow limited waivers of the Job Training Partnership Act and the Carl D. Perkins Vocational Education Act, but it does not go so far as to allow these programs to be merged unless they meet the specific requirements of this bill. Without stronger provisions that will compel states and local partnerships to integrate and consolidate existing programs, we will continue to duplicate or efforts and waste limited educational resources.

Furthermore, we believe that the requirement that all students who participate in the program be paid for their work also limits the ability of states and local partnerships to consolidate existing programs. The legislation should instead give maximum flexibility

to States and localities in designing local programs which meet the objectives of the legislation. There are programs which currently provide students with valuable workplace experiences that do not require the payment of students, such as on-the-job internships for academic credit, school-sponsored enterprises, and job shadowing. Modifying the legislation to allow unpaid work experiences could greatly facilitate the development of a comprehensive system.

All of us agree on the critical role businesses—both large and small—will play in meeting the goals of this legislation. In order to gain widespread business involvement, particularly that of small business, we believe that unpaid work experience should be allowed, or flexibility provided in the legislation to help pay student wages. It is unrealistic in this period of economic uncertainty, when large businesses are trimming their work forces and many small businesses are reluctant to expand, to assume that businesses will be able to provide paid work opportunities to all students who are eligible and want to participate in these programs. As a practical matter, the number of opportunities for students and the number of students who could actually participate could be greatly expanded by providing for other types of work-based experience in the legislation.

We also believe the legislation could be improved by strengthening provisions to enhance business participation in all phases of planning, development, and implementation of the school-to-work system. To ensure an effective system, the legislation must require states and localities to involve employers from the earliest stages in developing the state plan, implementing the programs, and participating in the local partnerships which will administer the school-to-work programs.

In addition, we believe that an integral part of local programs should be the recruitment and provision of technical and other assistance to employers to provide work-site learning experiences for students. Many obstacles exist for employers, particularly small business employers, to odder workplace opportunities to youth because of the extra time and costs that will be incurred for training and supervision. Providing additional assistance, especially at the local level, could help to ensure employers' active and continued participation.

Finally, the U.S. General Accounting Office recently cited over 150 existing job training and education programs for which the federal government spends over $20 billion each year. Many of these programs overlap with provisions in this legislation. For example, the Carl D. Perkins Vocational Education Act already allows students to work part-time during the school day at an employer worksite. The effectiveness of other programs has been questioned. A recent national evaluation of the Job Training Partnership Act found that out-of-school youth, especially males, received no benefit all from the program. While Congress is quick to address specific problems or consistencies with new categorical programs whenever the need arises, it is steadfastly reluctant to eliminate those same programs once they become outdated or we identify better ways to address those needs. Before channeling more of our limited federal dollars into the job training arena, we should stop and reassess existing programs to see if they are successful.

The School-to-Work Opportunities Act authorizes $300 million in the first year, and such sums as necessary for the 7 succeeding years. While this may not appear to be a significant amount relative to what the Federal Government spends on other job training and education programs, we believe it is still to much if there is no real commitment to streamline and consolidate similar programs into this system.

We believe this legislation presents an opportunity to begin making the changes necessary to create an employment training effort for all young Americans that is valuable, cost-efficient, and effective. The bill, as currently drafted, does not adequately promote these changes.

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